

84TH CONGRESS 1st Session	} HOUSE OF REPRESENTATIVES	} REPORT No. 1426
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## TRADE DEVELOPMENT

JULY 26, 1955.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

## R E P O R T

[To accompany S. 2253]

The Committee on Agriculture, to whom was referred the bill (S. 2253) to reemphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

## STATEMENT

The purpose of this bill is to expand and stimulate the sale of surplus agricultural commodities for foreign currencies by amending title I of the Agricultural Trade Development and Assistance Act of 1954 to—

(1) Increase from \$700 million to \$1,500 million the limitation on sales for foreign currencies under the act;

(2) Provide specifically that the \$1,500 million limitation shall not be apportioned by year or by country but shall be considered an objective to be reached as rapidly as is possible consistent with the purposes and safeguards of the act;

(3) Clarify the administration of the act by providing that the Secretary of Agriculture shall determine the nations with whom agreements shall be negotiated and the commodities and quantities thereof involved—within broad policies laid down by the President and after advising with other agencies of the Government.

Public Law 480 was enacted by the 83d Congress and signed by the President on July 10, 1954. Title I of the act provides the authority for sales of surplus agricultural commodities for foreign currencies and established a termination date on the program of approximately 3 years after enactment (June 30, 1957). Title I provides that no operation shall be carried out thereunder which will call for appropria-

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tions to reimburse the Commodity Credit Corporation in excess of \$700 million.

Although the act went into effect on July 10, 1954, the actual operation of the surplus disposal program authorized in title I did not begin until after issuance on September 9, 1954, of Executive Order 10560 assigning responsibilities for administration. In his second progress report on Public Law 480, submitted to the Congress on July 12, 1955, the President reported that as of June 30, 1955, a total of 21 agreements had been signed with 17 foreign governments for a total value, at CCC cost, of approximately \$468.8 million. Thus in 10 months of actual program operation under the act, approximately two-thirds of the amount authorized by Congress under title I has been committed.

In addition to increasing the limit of operations under title I to \$1.5 billion, the bill makes it clear that those responsible for administering the program are to consider this an objective, as well as a statutory limitation, and are to endeavor to stimulate and develop trade authorized by title I so as to achieve this objective as rapidly as possible within the purposes and safeguards of the act.

Section 2 of the bill is intended to correct a division of authority and responsibility for administering title I of the act which appears to have been a deterrent to the carrying out of the program as rapidly as it might have been. This provision will make it clear that it is the intention of Congress that the Secretary of Agriculture should be the official of the executive branch of the Government with the primary responsibility for carrying out the operation of title I.

#### HISTORY OF THE BILL

The bill as reported by the Senate Committee on Agriculture and Forestry contained three provisions not found in the bill as passed by the Senate: First, a provision which would have made the Secretary of Agriculture responsible also for determining the uses for currencies obtained under title I; second, a provision striking out references to carrying out the foreign policy of the United States in a declaration of policy of the act; third, any action making cargo-preference laws inapplicable to sales under title I. The bill was amended on the floor of the Senate by an amendment in the nature of a substitute which reworded the bill to retain the provisions outlined in the general statement of this report but eliminated the three provisions referred to in this paragraph.

This legislation is urgently needed to permit effective operation of this program during the period when Congress will be in recess. Time has not permitted the obtaining of a formal report from the executive agencies on this bill but it is the understanding of the committee that none of the departments or agencies concerned object to the bill as passed by the Senate and reported herewith.

A discussion of the bill as passed by the Senate will be found in the Congressional Record for July 20, 1955, pages 9489 to 9497.

## CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

## PUBLIC LAW 480, 83D CONGRESS

AN ACT To increase the consumption of United States agricultural commodities in foreign countries, to improve the foreign relations of the United States, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Trade Development and Assistance Act of 1954".*

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## TITLE I—SALES FOR FOREIGN CURRENCY

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## SEC. 103. \* \* \*

(b) Transactions shall not be carried out under this title which will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of **[\$700,000,000.]** \$1,500,000. *This limitation shall not be apportioned by year or by country, but shall be considered as an objective as well as a limitation, to be reached as rapidly as possible so long as the purposes of this Act can be achieved within the safeguards established.*

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SEC. 106. As used in this Act, "surplus agricultural commodity" shall mean any agricultural commodity or product thereof, class, kind, type, or other specification thereof, produced in the United States, either privately or publicly owned, which is or may be reasonably expected to be in excess of domestic requirements, adequate carryover, and anticipated exports for dollars, as determined by the Secretary of Agriculture. *The Secretary of Agriculture is also authorized to determine the nations with whom agreements shall be negotiated, and to determine the commodities and quantities thereof which may be included in the negotiations with each country after advising with other agencies of Government affected and within broad policies laid down by the President for implementing this Act.*

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